



IMPORTANT

LICENSE CLASS STRUCTURE INFORMATION

Dear Applicant:

Gambling licenses are issued for one year based upon a specified gross or net receipt limitation for each license type. Prior to making a license class selection, we urge you to closely review our fee schedule to ensure that the license class you select will be appropriate for your operation. Per WAC 230-04-230 applicants may not intentionally understate their anticipated revenues and apply for a license class lower than required. Simply stated, you must correctly estimate the operating level of your gambling activity.

Once approved for a license, you will be required to operate within that class limitation over your license period. Licensees who exceed their assigned license class will be required to upgrade to a higher or more appropriate license class level. See WAC 230-04-260 below. Should you have questions, our staff will be happy to assist you.

WAC 230-04-230 INTENTIONALLY UNDERSTATING ANTICIPATED REVENUE – PROHIBITED. It shall constitute grounds for revocation or suspension of a license if any applicant intentionally understates the anticipated gross or net receipts from a licensed activity for any purpose.

WAC 230-04-260 EFFECT OF EXCEEDING LICENSE CLASS INCOME LIMIT – PROCEDURES – PENALTIES. During any annual license period, a licensee shall not exceed the gross gambling receipts limits set forth on the license, except as authorized by this section. The following procedures, limitations, and penalties apply to licensees that exceed limits for any license.

Anticipating gambling receipts limit will be exceeded.

(1) Each licensee shall monitor the level of gross gambling receipts received from each gambling activity. When a projection of year-to-date receipts, as applied to the remaining period of the license, indicates that it is reasonably likely that a license will be exceeded, the licensee shall immediately comply with the following:

- (a) Apply for a license that authorizes the anticipated level of gross gambling receipts; and
- (b) Submit the basic fee required for the new license, less the amount originally submitted for the previous license, plus a change of classification fee required by WAC 230-04-202 or 230-04-203.

(2) Any license upgrade issued by the commission shall be valid only for the remainder of the original term of the license.

Penalty for failing to apply for license upgrade.

(3) Any licensee that fails to comply with the requirements set forth in subsection (1) of this section and exceeds the license class limit within a present or previous license year, may be assessed an exceeding class fee not to exceed fifty percent of the difference between the fees for the present license class and the new license class or one thousand dollars, whichever is less. Upon written notice by the commission assessing an exceeding class fee, a licensee shall remit the proper fee plus all upgrade fees within twenty days. Failure to remit such fees may result in a summary suspension of all licenses held by the licensee pending a hearing for the suspension or revocation of such licenses.

Partial refund of license fees when gambling receipts limit is not achieved.

(4) A licensee shall be allowed to apply for a partial refund of its license fee when its annual gross gambling receipts are less than the minimum for the class of license issued. The amount of refund shall be the difference between fees actually paid to operate during the period and those fees that would normally apply to the level of gross gambling receipts actually received during the period. Such request shall be made after the end of any annual license period and prior to the end of the next annual license period.